

## Article - Real Property

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§4–111.

(a) (1) In this section the following words have the meanings indicated.

(2) “Lender” means a person holding an interest in or lien on property pursuant to a mortgage or deed of trust.

(3) “Subordination agreement” means an agreement establishing priorities:

(i) Between or among lenders; or

(ii) Between or among a lender and any other person or persons holding an interest in property.

(b) A lender may subordinate its interest under a mortgage or deed of trust to the interest of another lender or to the property interest of a person, through execution of a subordination agreement on behalf of the subordinating lender by:

(1) As to a lender secured by a mortgage, the mortgagee or assignee;  
or

(2) As to a lender secured by a deed of trust, the trustee or successor trustee or the holder of the note or other obligation secured by the deed of trust.

(c) This section applies to all subordination agreements existing on or after October 1, 1997.

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